



IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF VIRGINIA  
ALEXANDRIA DIVISION

UNITED STATES OF AMERICA

v.

FARHAAD RIYAZ,

Defendant.

Case No. 1:21-cr-264-LMB

STATEMENT OF FACTS

The United States and the defendant, FARHAAD RIYAZ, agree that had this matter proceeded to trial, the United States would have proven the following facts beyond a reasonable doubt with admissible and credible evidence:

**I. Factual Background**

1. Defendant FARHAAD RIYAZ resides in Manassas, Virginia, and has lived there since approximately 2020. RIYAZ has also previously resided in McLean, Virginia, Washington, D.C., Illinois, and Michigan.

2. McLean and Manassas are both cities located in the Eastern District of Virginia.

3. Amazon.com, Inc. ("Amazon") is a large national and international on-line retailer of myriad products. Amazon also serves as a platform for approved third-party retailers to sell products to Amazon's customers. Amazon does business in the Eastern District of Virginia.

4. Amazon ships its products to customers through private and commercial interstate carriers such as the United Parcel Service ("UPS") and Amazon's own private delivery network.

5. Amazon may authorize a refund on a purchase when a product fails to arrive, arrives late, arrives damaged, or fails to match the website description of the product.

6. Depending on the situation, when Amazon authorizes a refund, it may require the customer to return the product whose purchase price is being refunded. Amazon allows customers to generate a UPS shipping label and for the customer to return the product to Amazon or its third-party sellers via UPS shipment.

7. RIYAZ was a customer of Amazon for many years, including from at least 2017 through 2020.

8. RIYAZ controlled many email accounts and used multiple credit cards to buy products from Amazon and its approved third-party sellers, and to receive refunds from Amazon. Among the credit cards RIYAZ used were a Chase Sapphire Reserve card and a Platinum Delta Sky Miles American Express card.

9. From the time period 2017 to 2020, RIYAZ controlled multiple Amazon accounts.

## **II. Criminal Conduct.**

10. From in or about March 2017 through in or about June 2020, in the Eastern District of Virginia and elsewhere, the defendant, FARHAAD RIYAZ, devised, knowingly intended to devise, and executed and attempted to execute, a scheme and artifice to defraud Amazon and its on-line retailers, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, by making misrepresentations concerning, among other things, the delivery of the products he purchased, the condition of the products he purchased, and would at various times return substitute products of substantially lower value than the items he had purchased from the on-line retailer and had retained, while concealing the material fact from the on-line retailer that he had retained the original, high-end product.

11. To execute the scheme and to attempt to execute it, RIYAZ would frequently

cause products to be shipped by private and commercial interstate carriers, such as UPS and Amazon itself. RIYAZ would also cause inferior or materially less expensive substitute products to be shipped back to Amazon and its third-party resellers via UPS, as part of his scheme to defraud. RIYAZ's actions violated Title 18, United States Code, Section 1341, Mail Fraud.

*Manner and Means of the Scheme to Defraud*

12. Defendant RIYAZ would purchase high-end products through Amazon and its third-party retailers, who would then mail the products to RIYAZ at one of his delivery addresses, including addresses in the Eastern District of Virginia. These addresses included RIYAZ's residence, or another designated address affiliated with RIYAZ.

13. After the products arrived, RIYAZ would initiate the return process with Amazon by claiming the products arrived late, never arrived at all, arrived only in part, were defective, or some other allowable reason under Amazon's return policies.

14. Amazon would refund the purchase price to RIYAZ, but RIYAZ would fraudulently retain the high-end product. RIYAZ would return to the on-line retailer a much less expensive or inferior product that appeared to resemble the high-end product that RIYAZ had retained. For instance, RIYAZ would purchase rare or limited-edition guitars for thousands of dollars each and return an item similar in shape or color, but that cost substantially less.

*Execution of the Scheme*

Sony 4K HDR Laser Home Theater Video Projector

15. On July 20, 2019, all dates herein being on or about the date indicated and all dollar amounts being approximate, RIYAZ ordered a Sony 4K HDR Laser Home Theater Video Projector (Model # VPLVW995ES) for \$37,097.88, paying with his Chase Sapphire Reserve Visa credit card. On July 25, 2019, UPS shipped the product to RIYAZ at an address in

Manassas, Virginia, in the Eastern District of Virginia.

16. On August 1, 2019, RIYAZ claimed the item arrived later than promised and Amazon gave him a return authorization to return the item.

17. RIYAZ shipped a significantly less expensive item back to Amazon on August 15, 2019.

18. On August 15, 2019, Amazon refunded RIYAZ's Chase Sapphire Reserve credit card \$37,097.88.

19. It was later discovered that the item RIYAZ returned to Amazon was actually a Sony 1080p 3D SXR Home Theater/Gaming Projector (Model # VPLHW40ES) with a retail price of around \$2,000.

20. On June 2, 2020, during the execution of a search warrant at the residence of RIYAZ in McLean, Virginia, Fairfax County detectives found the Sony 4K HDR Laser Home Theater Video Projector (VPLVW995ES) in the residence.

#### Other Products and Conduct During the Scheme

21. RIYAZ also operated the same scheme with respect to high-end Fender, Gibson and Martin electric and acoustic guitars. For instance, on June 16, 2019, RIYAZ purchased an American-made Fender Rarities Flame Maple Top Stratocaster Electric Guitar for \$2,649.99 through Amazon from a third-party seller and caused it to be shipped via UPS to an address in Manassas, Virginia. RIYAZ sought a refund and in place of the original guitar returned a significantly less expensive Indonesian-made Fender Squier Stratocaster electric guitar with a retail value of several hundred dollars, yet he received a refund of the full \$2,649.99 purchase price.

22. In 2019, RIYAZ also obtained over \$17,000 in high-end Toto Toilets with electric

bidets essentially for free by charging \$4,462.08 for each of four toilets, then claiming they had not arrived properly, obtaining a full refund, but retaining the toilets.

23. Altogether, as a result of the scheme, RIYAZ caused Amazon losses of over \$250,000, and obtained property with a value over \$250,000.

Conclusion

24. RIYAZ has read the allegations in the Criminal Information in this case and agrees that they are all true and correct and would be proven to a jury beyond a reasonable doubt.

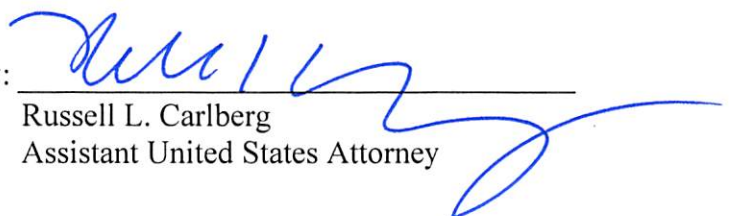
25. This statement of facts includes those facts necessary to support the plea agreement between the defendant and the United States. It does not include each and every fact known to the defendant or to the United States, and it is not intended to be a full enumeration of all of the facts surrounding the defendant's case.

26. The actions of the defendant, as recounted above, were in all respects knowing and deliberate, and were not committed by mistake, accident, or other innocent reason.


Respectfully submitted,

Jessica D. Aber  
United States Attorney


Date: 13 Dec. 2021


By:   
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Russell L. Carlberg  
Assistant United States Attorney

After consulting with my attorney and pursuant to the plea agreement entered into this day between the defendant, FARHAAD RIYAZ, and the United States, I hereby stipulate that the above Statement of Facts is true and accurate, and that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.

  
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FARHAAD RIYAZ

I am Daniel Grooms, defendant's attorney. I have carefully reviewed the above Statement of Facts with him. To my knowledge, his decision to stipulate to these facts is an informed and voluntary one.

  
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Daniel Grooms  
Counsel for Farhaad Riyaz

  
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Joshua Siegel  
Counsel for Farhaad Riyaz